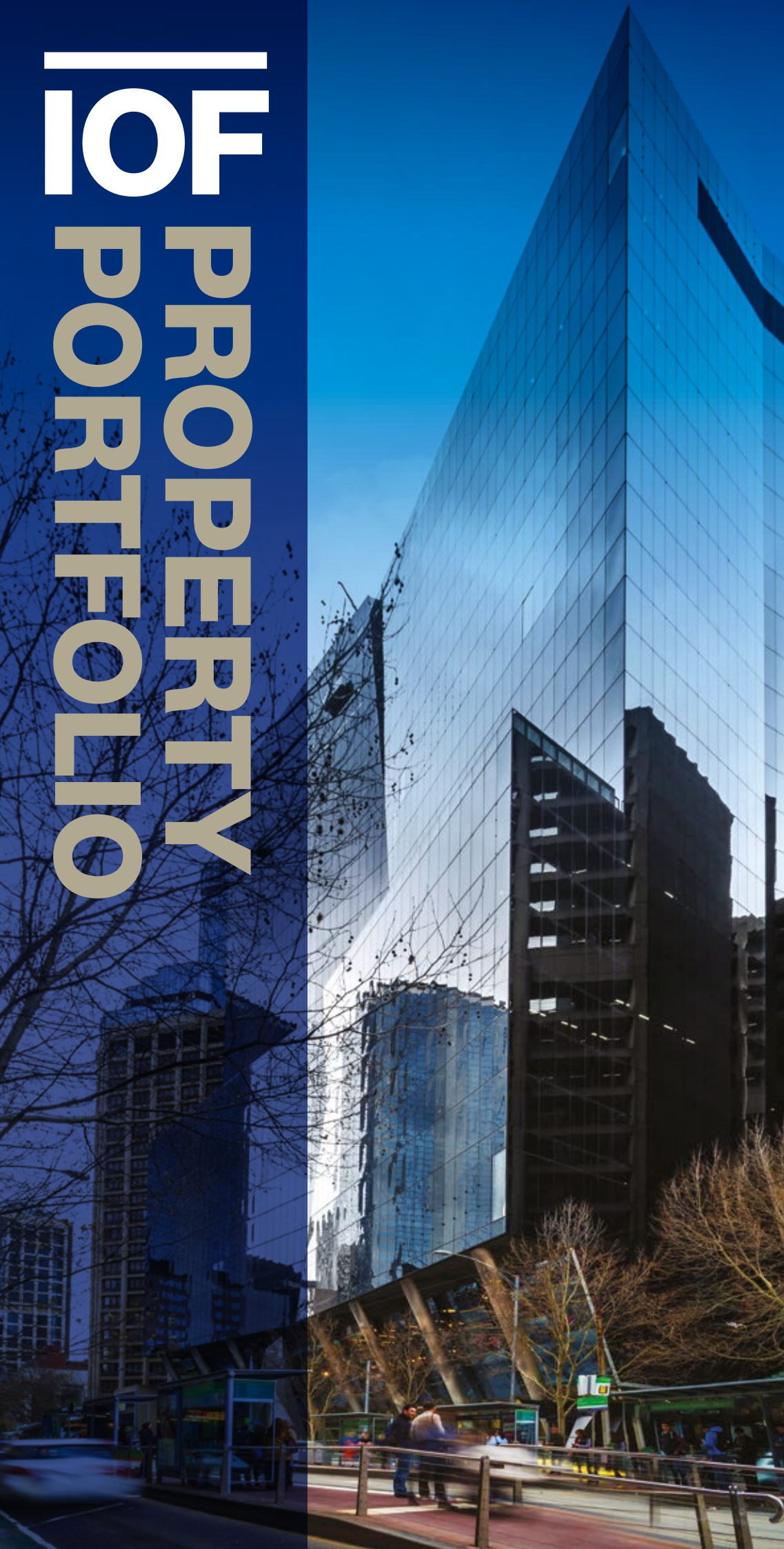


30 JUNE 2015  
Investa Office Fund

# IO PROPERTY PORTFOLIO



**INVESTA** 

# WHAT'S INSIDE

Portfolio Overview	04
Sydney	10
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This Property Portfolio is one of three documents that form IOF's FY15 reporting suite. For more information, or to download any of the above documents, visit [www.investa.com.au/iof](http://www.investa.com.au/iof)



# IOF

Investa Office Fund (ASX:IOF) is one of Australia's leading owners of investment grade office buildings. IOF has total assets under management of \$3.3 billion with 22 investments located in core CBD markets throughout Australia. As an externally managed Australian Real Estate Investment Trust (A-REIT), IOF is governed by a majority independent board – Investa Listed Funds Management Limited (ILFML) – who employs Investa Office (Investa), one of Australia's largest office owners and managers, to manage IOF's assets.

DEUTSCHE BANK PLACE,  
126 PHILLIP STREET  
SYDNEY NSW

LETTABLE AREA SQM

# 42,321

# STRATEGY AND MANAGEMENT

IOF's strategy is to deliver attractive risk-adjusted returns by investing in high quality Australian CBD office assets and leveraging the competitive advantages of the Investa management platform to pro-actively add value. As an office-only specialist and leader in the Australian market, Investa's expertise in asset, portfolio and capital management positions IOF strongly in a challenging marketplace – providing the capability to lease-up and renew tenants ahead of market expectations; reposition or recycle assets through the market cycle; and maximise returns by managing the debt and equity base of the Fund.

IOF's dedicated management team and the high calibre industry professionals from Investa's management platform are equipped with a diverse range of skills and experience, enabling a balanced approach to managing IOF operationally, strategically, and through the cycle. As an Australian office sector specialist, Investa's multidisciplinary team add value across the entire spectrum of IOF's ownership, management and development initiatives.



**IOF is delivering attractive risk-adjusted returns to unitholders from a portfolio of high quality assets located in the key CBD office markets of Australia.**

PICCADILLY COMPLEX  
133 CASTLEREAGH STREET,  
SYDNEY NSW

LETTABLE AREA SQM

**47,326**

Assets under management

**\$3.3** billion

Occupancy

**93%**

Weighted average lease expiry

**5.2** years


# PORTFOLIO OVERVIEW

## AUSTRALIA


The non-mining sectors of the Australian economy are strengthening as mining investment wanes. Business conditions and confidence have been steadily increasing over the course of the year, however fortunes are mixed by state and industry, with business services leading the way, particularly in the larger state economies of New South Wales and Victoria. As a result, the job cuts in the resource industries are being more than offset by increasing employment in business services and health – where there is continued growth to support the ageing population.

Evidence of Australia's economic transition can be seen in the office market data. Tenant demand in Sydney and Melbourne has surged, with the Sydney CBD reporting the highest annual net absorption figure since 2006; with the Melbourne CBD reporting the largest amount since 2010. While the industry drivers are slightly different between the two markets, there are some similar trends. The market is being driven by smaller, sub-1,000 square metre tenants who are seeking good quality and affordable accommodation as they move into growth mode.

 **TOTAL LETTABLE AREA**  
**589,268**sqm

 **TENANTS**  
**446**

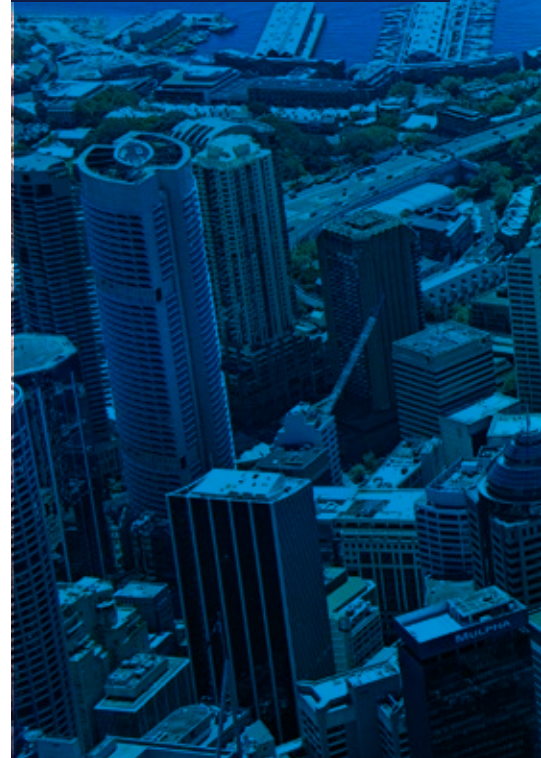
 **TOTAL NUMBER OF ASSETS**  
**22**

 **NABERS ENERGY RATING**  
**4.4 Star**

 **NABERS WATER RATING**  
**3.7 Star**



**100%  
Australian  
Focused**



**Our focus on performance has once again delivered an outstanding result. We've delivered FFO growth ahead of expectations and reported strong NTA growth of 8%, reflecting the highly desirable characteristics of our portfolio.**

**MING LONG,  
FUND MANAGER**



**SYDNEY 57%**

- Deutsche Bank Place,  
126 Phillip Street, Sydney
- 347 Kent Street, Sydney
- 388 George Street, Sydney
- Piccadilly Complex,  
133 Castlereagh Street, Sydney
- 10-20 Bond Street, Sydney
- Barrack Place,  
151 Clarence Street, Sydney
- 6 O'Connell Street, Sydney
- Campus MLC,  
105-151 Miller Street, North Sydney
- 111 Pacific Highway, North Sydney
- 99 Walker Street, North Sydney

**MELBOURNE 21%**

- 567 Collins Street, Melbourne
- Telstra Global Headquarters,  
242 Exhibition Street, Melbourne
- 800 Toorak Road, Melbourne
- Royal Mint Centre,  
383 La Trobe Street, Melbourne

**BRISBANE 14%**

- 140 Creek Street, Brisbane
- 295 Ann Street, Brisbane
- 232 Adelaide Street, Brisbane
- 239 George Street, Brisbane
- 15 Adelaide Street, Brisbane

**PERTH 5%**

- 66 St Georges Terrace, Perth
- Wellington Central,  
836 Wellington Street, Perth

**CANBERRA 3%**

- Times Square,  
16-18 Mort Street, Canberra

# PORTFOLIO OVERVIEW

## KEY INFORMATION

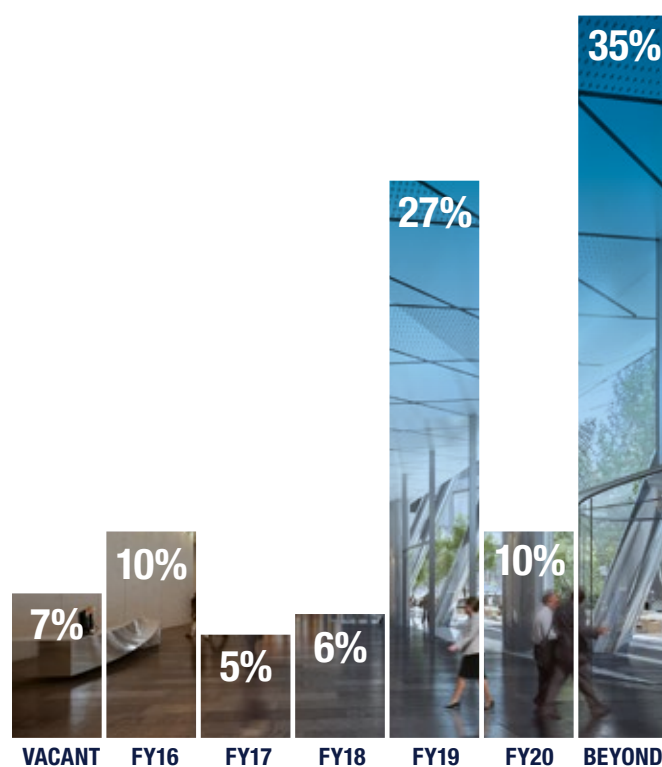
	30 JUNE 2015	30 JUNE 2014
Total Value (\$m)	\$3,268.2m	\$3,193.1m
Total Properties	22	23
Net Lettable Area (sqm) <sup>1</sup>	414,080	411,972
Number of Tenants	446	437
Tenant Retention rate (%)	62%	68%
Occupancy (by area) (%)	93%	93%
Weighted average lease expiry (years)	5.2	5.0
Weighted average capitalisation rate (%)	6.93	7.33
Average NABERS Energy rating (stars)	4.4	4.2
Average NABERS Energy rating (stars)	3.7	3.7

Investa has delivered on IOF's strategy of becoming 100% Australian focused after disposing of Bastion Tower – IOF's final offshore asset. This sale completed the orderly divestment of \$830 million of offshore assets which began in 2011 when Investa took over management of IOF.

### ASSET RECYCLING IN FY15

**\$280 million**

### LEASE EXPIRY PROFILE BY INCOME



1. Weighted for ownership



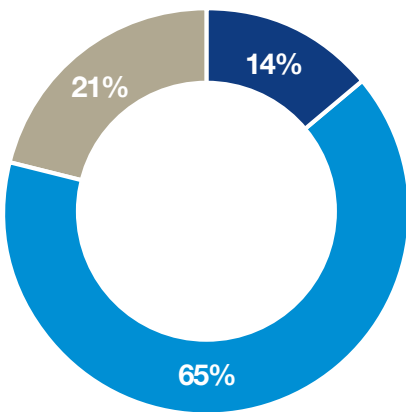
TELSTRA GLOBAL HEADQUARTERS  
242 EXHIBITION STREET,  
MELBOURNE VIC

LETTABLE AREA SQM  
**65,914**

Our proactive approach to meeting the needs of our tenants has driven high levels of activity, with 124 leasing deals totalling almost 55,000 square metres completed during the period.

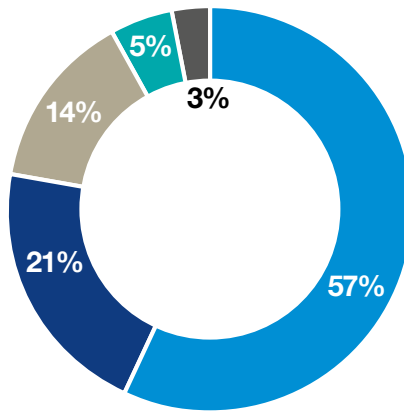
ALEX ABELL  
ASSISTANT FUND MANAGER

### PROPERTY TYPE



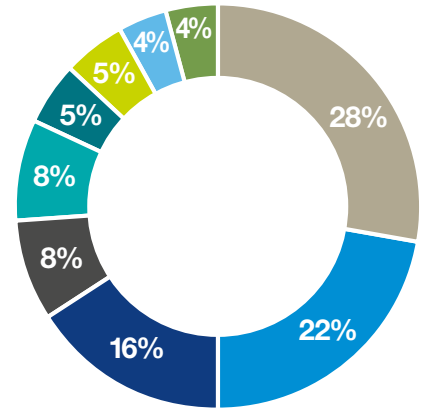
Premium	14%
A-grade	65%
B-grade	21%

### GEOGRAPHIC WEIGHTING



REGION	\$m
Sydney	1,867.1
Melbourne	699.4
Brisbane	458.5
Perth	158.2
Canberra	85.0
<b>TOTAL</b>	<b>3,268.2</b>

### DIVERSITY OF TOP 20 TENANTS



Banking	28%
Government	22%
Telecommunications	16%
Insurance	8%
Retail	8%
Finance	5%
Car Parking	5%
Diversified	4%
Legal	4%

# PORTFOLIO OVERVIEW

## PERFORMANCE METRICS

### PROPERTY PERFORMANCE METRICS

Property	NLA (sqm)	Book value (\$m)	Cap rate (%)	WALE (yrs)	Occupancy (%)	NPI (\$m)
Deutsche Bank Place 126 Phillip Street, Sydney, NSW (25%)	42,321	198.7	5.75	5.3	93	10.4
347 Kent Street, Sydney, NSW	26,261	272.7	6.88	3.8	100	23.5
388 George Street, Sydney, NSW (50%)	38,743	209.9	7.00	3.3	100	14.4
Piccadilly Complex 133 Castlereagh Street, Sydney, NSW (50%)	47,326	210.3	6.77	5.7	98	12.5
10-20 Bond Street, Sydney, NSW (50%)	38,271	192.8	6.50	4.0	100	9.4
Barrack Place 151 Clarence Street, Sydney, NSW	16,873	84.7	NA	0.6	99	5.8
6 O'Connell Street, Sydney, NSW	16,104	147.0	6.88	2.8	94	9.0
Campus MLC 105-151 Miller Street, North Sydney, NSW	26,898	212.0	7.00	4.6	100	11.2
99 Walker Street, North Sydney, NSW	19,366	183.0	6.75	9.7	97	9.0
111 Pacific Highway, North Sydney, NSW	18,669	156.0	7.25	3.3	94	8.4
567 Collins Street, Melbourne, VIC (50%)	54,763	213.1	5.88	11.1	100	NA
Telstra Global Headquarters 242 Exhibition Street, Melbourne, VIC (50%)	65,914	245.1	6.50	4.9	100	16.9
800 Toorak Road, Melbourne, VIC (50%)	41,878	115.1	6.75	14.6	100	6.3
Royal Mint Centre 383 La Trobe Street, Melbourne, VIC	9,679	69.7	7.50	2.0	100	4.6
140 Creek Street, Brisbane, QLD	28,080	167.8	8.00	4.0	65	6.7
295 Ann Street, Brisbane, QLD	20,216	102.2	8.00	6.5	80	5.7
232 Adelaide Street, Brisbane, QLD	4,459	16.9	8.25	3.5	100	1.3
239 George Street, Brisbane, QLD	24,315	120.6	8.25	3.3	92	9.6
15 Adelaide Street, Brisbane, QLD	11,483	51.0	8.75	3.8	73	2.5
66 St Georges Terrace, Perth, WA	11,523	83.2	8.00	3.7	65	7.1
Wellington Central 836 Wellington Street, Perth, WA	11,973	75.0	7.75	3.7	100	6.2
Times Square 16-18 Mort Street, Canberra, ACT	14,155	85.0	6.75	10.6	100	3.9
<b>Total Portfolio</b>	<b>589,268<sup>1</sup></b>	<b>3,211.8</b>	<b>6.93</b>	<b>5.2</b>	<b>93</b>	<b>184.4<sup>2</sup></b>

1. NLA IOF ownership 414,080sqm

2. Excludes income of \$2.5m from 628 Bourke Street, Melbourne and \$2.2m from Bastion Tower, Belgium



## ENVIRONMENTAL PERFORMANCE METRICS

Property	Intensity Metrics					Ratings	
	Emissions (kg.CO <sub>2</sub> -e/sqm)	Electricity intensity (kWh/sqm)	Gas intensity (MJ/sqm)	Energy Intensity (kWh/sqm)	Water intensity (L/sqm)	NABERS Energy <sup>B</sup> (Stars)	NABERS Water <sup>B</sup> (Stars)
Deutsche Bank Place 126 Phillip Street, Sydney, NSW (25%)	76	91	64	109	903	4.5	3.5
347 Kent Street, Sydney, NSW	83	97	0	97	1,176	4.5	3.0
388 George Street, Sydney, NSW (50%)	78	86	75	107	837	4.5	4.0
Piccadilly Complex 133 Castlereagh Street, Sydney, NSW (50%)	65	83	12	86	460	5.0	4.5
Piccadilly Court 222 Pitt Street, Sydney, NSW (50%)	55	61	41	72	564	5.0	4.0
10-20 Bond Street, Sydney	58	76	75	96	1,150	5.0	3.5
Barrack Place 151 Clarence Street, Sydney, NSW	124	141	50	155	962	3.0	2.5
6 O'Connell Street, Sydney, NSW	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	4.5	4.0
Campus MLC 105-151 Miller Street, North Sydney, NSW	69	74	99	101	776	5.0	3.5
99 Walker Street, North Sydney, NSW	80	93	D	93	666	3.0	3.0
111 Pacific Highway, North Sydney, NSW	77	80	155	123	614	4.0	3.5
567 Collins Street, Melbourne, VIC (50%)	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>
Telstra Global Headquarters 242 Exhibition Street, Melbourne, VIC (50%)	102	82	92	108	438	4.0	4.5
800 Toorak Road, Melbourne, VIC (50%)	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>
Royal Mint Centre 383 La Trobe Street, Melbourne, VIC	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>C</b>	2.5	2.5
140 Creek Street, Brisbane, QLD						4.5	4.0
295 Ann Street, Brisbane, QLD	55	68	<b>D</b>	68	543	5.5	4.0
232 Adelaide Street, Brisbane, QLD							
239 George Street, Brisbane, QLD	70	87	<b>D</b>	87	736	4.5	4.0
15 Adelaide Street, Brisbane, QLD							
66 St Georges Terrace, Perth, WA	54	70	11	73	773	3.5	2.5
Wellington Central 836 Wellington Street, Perth, WA	40	51	14	55	472	5.5	4.0
Times Square 16-18 Mort Street, Canberra, ACT	48	47	147	87	326	5.0	5.0
<b>Total Portfolio</b>	<b>74</b>	<b>80</b>	<b>72</b>	<b>96</b>	<b>714</b>	<b>4.4</b>	<b>3.7</b>

### Notes:

- A: Could not be rated due to insufficient occupancy due to building refurbishment
- B: NABERS ratings are presented for all buildings under ownership Investa Office Fund (IOF) as at 30th June 2015
- C: Not reported as management control of the building is assigned to the tenant under the terms of the lease
- D: Gas is not used at this site
- E: Excludes assets not owned/managed for the duration of the reporting period including buildings under construction
- F: Due to metering constraints aggregated data is collected for this group of assets
- G: Not reported as recycling service is controlled by tenant assigned management
- H: Not reported as management control of the building is assigned to external party by joint owner

# PORTFOLIO OVERVIEW

## SYDNEY

Sydney markets are now exhibiting a strong recovery with demand almost double the long term average placing downward pressure on vacancy rates. As a result effective rental growth is escalating, and we expect this to continue as incentives wind back over the next 12 months.



TOTAL LETTABLE AREA

**290,832**sqm



BOOK VALUE

**\$1.87**bn



WEIGHTED AVERAGE LEASE EXPIRY

**4.4** years

### OUTLOOK SYDNEY

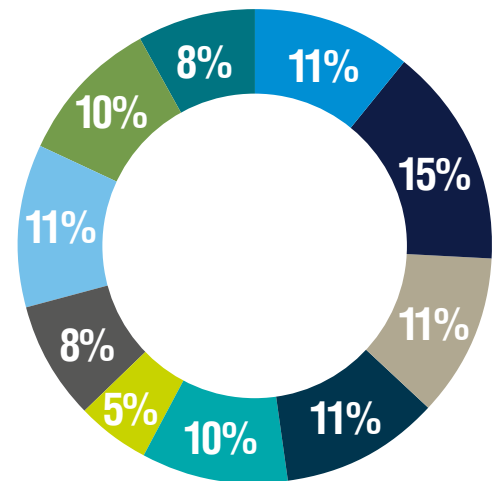
**Demand from larger finance and insurance tenants to emerge as cycle evolves**

**Effective rental growth in A and upper B-grade to escalate**

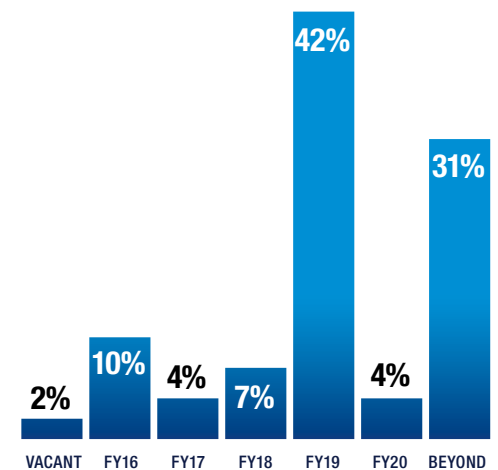
**Cap rates likely to compress to near 2007 levels**



ASSET WEIGHTING BY BOOK VALUE



LEASE EXPIRY PROFILE BY INCOME





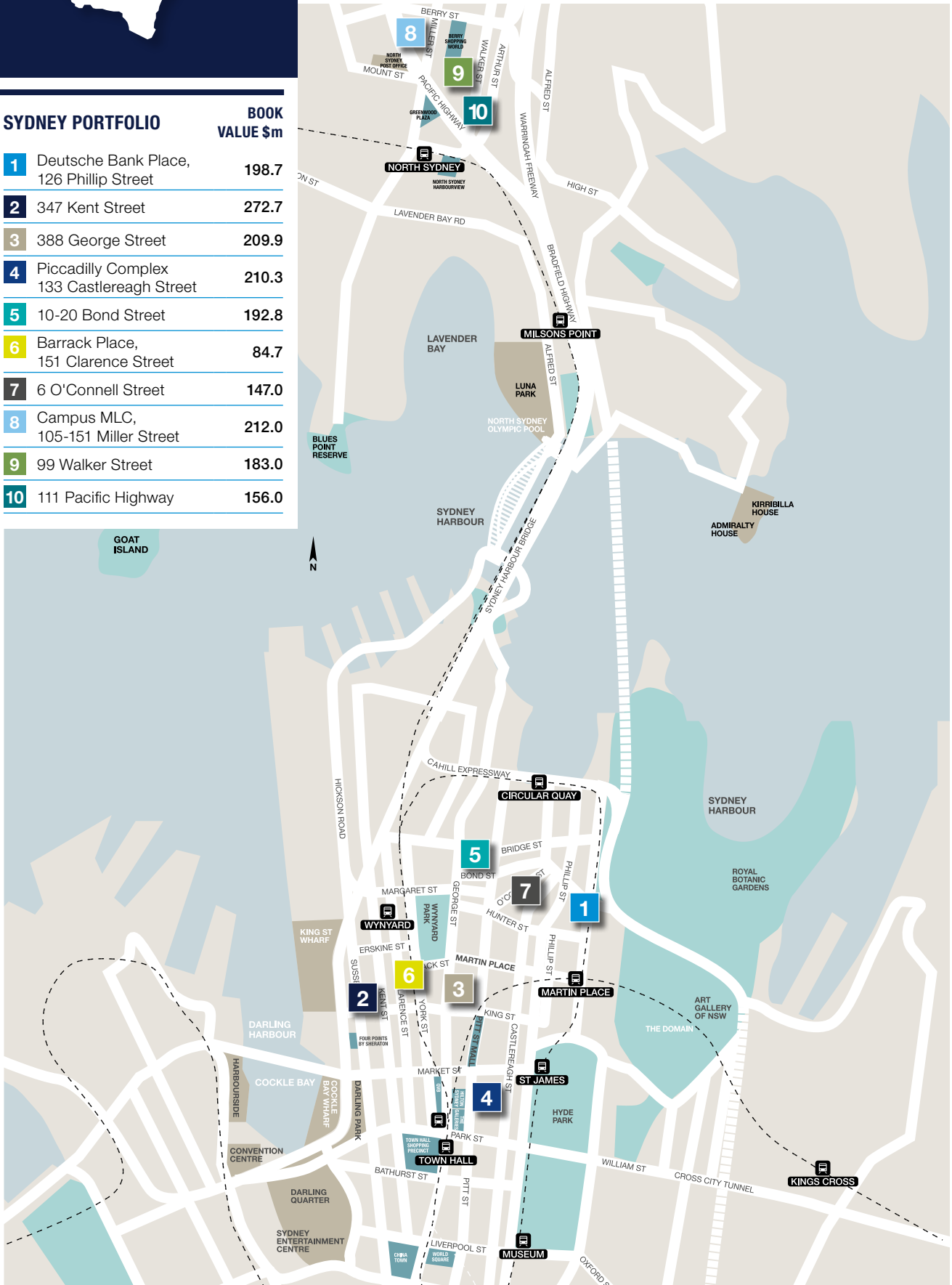
SYDNEY

10

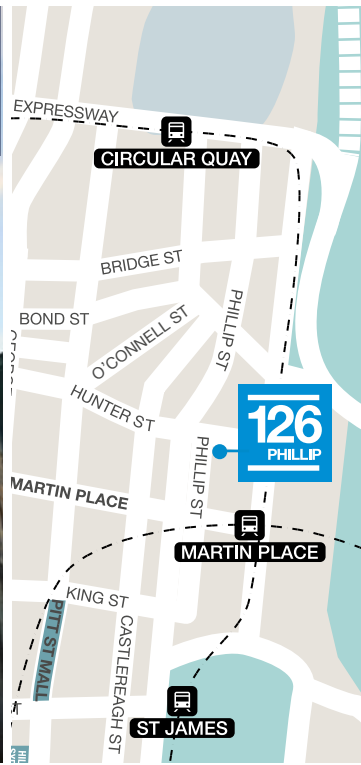
**SYDNEY PORTFOLIO**

**BOOK VALUE \$m**

<b>1</b>	Deutsche Bank Place, 126 Phillip Street	198.7
<b>2</b>	347 Kent Street	272.7
<b>3</b>	388 George Street	209.9
<b>4</b>	Piccadilly Complex 133 Castlereagh Street	210.3
<b>5</b>	10-20 Bond Street	192.8
<b>6</b>	Barrack Place, 151 Clarence Street	84.7
<b>7</b>	6 O'Connell Street	147.0
<b>8</b>	Campus MLC, 105-151 Miller Street	212.0
<b>9</b>	99 Walker Street	183.0
<b>10</b>	111 Pacific Highway	156.0



**PREMIUM GRADE OFFICE**  
**DEUTSCHE BANK PLACE,**  
**126 PHILLIP STREET**  
**SYDNEY NSW**



With stunning views across Sydney Harbour and the Royal Botanic Gardens, this new-generation building is one of Australia's finest office towers. It features an external services side core providing column-free floor plates of 1,444sqm which are among the largest in Sydney. The 42,321sqm of total NLA boasts a NABERS Energy rating of 4.5-stars, a spectacular entry plaza and a host of tenant amenities.

#### KEY FEATURES

Ownership	25%
Acquired/built/refurbished	2012/2005/NA
Car spaces	82
Lettable area	42,321sqm
Average floor plate	1,444sqm
Passing face rent	\$1,142psqm pa net
Net property income	\$10.4m
External valuation/date	\$198.8m/Dec 2014
Value/lettable area	\$18,777psqm
Book value	\$198.7m
Cap rate	5.75%
Discount rate	7.75%
NABERS Energy/Water Rating (stars)	4.5 / 3.5

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Allens	11,312sqm	27%	June 2019
Deutsche Bank	10,108sqm	24%	October 2020
Bank of Queensland	2,888sqm	7%	March 2025

#### LEASE EXPIRY PROFILE BY INCOME

**WALE 5.3 YEARS**

VACANT	<b>7%</b>	OCCUPANCY	<b>93%</b>
FY16	<b>2%</b>		
FY17	<b>0%</b>		
FY18	<b>6%</b>		
FY19	<b>38%</b>		
FY20	<b>2%</b>		
BEYOND	<b>45%</b>		

**A-GRADE OFFICE**  
**347 KENT STREET**  
**SYDNEY NSW**



The building is well located in a prominent position in the CBD's western precinct. Enjoying views over Darling Harbour and out to Pyrmont Bay, the building height was extended in 1997 from the original 13 storeys to 20. This increased the total A-grade office accommodation to almost 25,000sqm with an additional 1,590sqm of ground floor retail space.

#### KEY FEATURES

Ownership	100%
Acquired/built/refurbished	1999/1997/2005
Car spaces	100
Lettable area	26,261sqm
Average floor plate	1,240sqm
Passing face rent	\$978psqm pa gross
Net property income	\$23.5m
External valuation/date	\$272.5m/Dec 2014
Value/lettable area	\$10,381psqm
Book value	\$272.7m
Cap rate	6.88%
Discount rate	8.13%
NABERS Energy/Water Rating (stars)	4.5 / 3.0

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
ANZ	24,808sqm	94%	January 2019
Bowery Bar	917sqm	3%	May 2030
Ishida & Associates	259sqm	1%	January 2019

#### LEASE EXPIRY PROFILE BY INCOME

**WALE 3.8 YEARS**

VACANT	<b>0%</b>	OCCUPANCY	<b>100%</b>
FY16	<b>0%</b>		
FY17	<b>0%</b>		
FY18	<b>1%</b>		
FY19	<b>97%</b>		
FY20	<b>0%</b>		
BEYOND	<b>2%</b>		



**A-GRADE OFFICE**  
388 GEORGE STREET  
SYDNEY NSW



Situated 50 metres from Pitt Street Mall, this 28 storey property consists of office space with lower level retail space in the heart of the CBD. Located at the intersection of two of Sydney's busiest CBD streets, this property includes a Coles Express on the lower level. Following comprehensive refurbishment in 1998, further progress has recently been made to improve the building's environmental performance to a NABERS Water rating of 4-star.

#### KEY FEATURES

Ownership	50%
Acquired/built/refurbished	2002/1973/1998 & 2009
Car spaces	80
Lettable area	38,743sqm
Average floor plate	1,270sqm
Passing face rent	\$638psqm pa net
Net property income	\$14.4m
External valuation/date	\$210.0m/Dec 2014
Value/lettable area	\$10,837psqm
Book value	\$209.9m
Cap rate	7.00%
Discount rate	8.25%
NABERS Energy/Water Rating (stars)	4.5 / 4.0

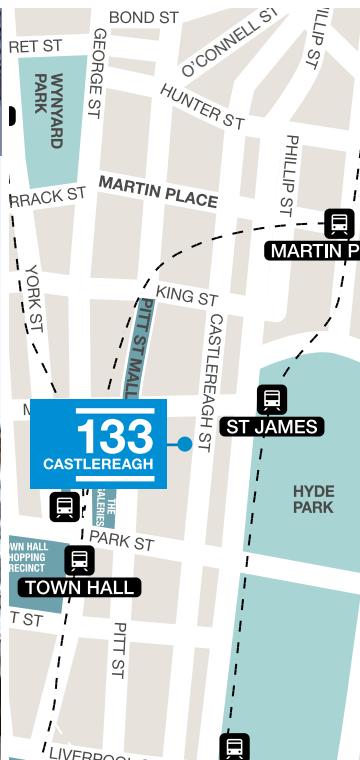
MAJOR TENANTS	AREA	% OF NLA	EXPIRY
IAG	35,817sqm	92%	October 2018
Coles	1,921sqm	5%	October 2018
ANZ	450sqm	1%	April 2019

#### LEASE EXPIRY PROFILE BY INCOME WALE 3.3 YEARS

VACANT 0%	OCCUPANCY 100%
FY16 4%	
FY17 0%	
FY18 0%	
FY19 96%	
FY20 0%	
BEYOND 0%	



**A/B-GRADE OFFICE**  
PICCADILLY COMPLEX  
133 CASTLEREAGH  
STREET, SYDNEY NSW



Located between Pitt and Castlereagh Streets just 100 metres from Pitt Street Mall, the Piccadilly Complex comprises two office buildings totalling 42,090sqm. Connected by a two level retail mall and serviced by a 229 bay car park, Piccadilly Tower provides high quality A-grade accommodation with column free 1,200sqm floor plates, whilst Piccadilly Court is a B-grade building that appeals to more budget conscious occupiers.

#### KEY FEATURES

Ownership	50%
Acquired/built/refurbished	2014/1975 & 1991/2007
Car spaces	229
Lettable area	47,326sqm
Average floor plate	1,250sqm / 750sqm
Passing face rent	\$572psqm pa net
Net property income	\$12.5m
External valuation/date	\$206.3m/Dec 2014
Value/lettable area	\$8,886psqm
Book value	\$210.3m
Cap rate	6.77%
Discount rate	8.17%
NABERS Energy/Water Rating (stars)	5.0 <sup>1</sup> / 4.5 <sup>1</sup> 5.0 <sup>2</sup> / 4.0 <sup>2</sup>

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Stockland	12,479sqm	26%	December 2023
Uniting Church	7,227sqm	15%	July 2091
GHD Services	3,739sqm	8%	December 2019

#### LEASE EXPIRY PROFILE BY INCOME WALE 5.7 YEARS

VACANT 2%	OCCUPANCY 98%
FY16 5%	
FY17 3%	
FY18 6%	
FY19 9%	
FY20 24%	
BEYOND 51%	

1. NABERS ratings apply to 133 Castlereagh Street 2. NABERS ratings apply to 222 Pitt Street

**A-GRADE OFFICE**  
10-20 BOND STREET  
SYDNEY NSW



The property consists of two buildings and a ground floor retail plaza: 10 Bond Street with seven levels of office space; and 20 Bond Street offering 31 levels of office space with the upper floors commanding harbour views.

Substantial upgrades were completed in 2011 to upgrade the building and cement its position as one of Sydney's premier CBD A-grade buildings that attracts a range of tenants from industries including financial services, legal and recruitment.

**KEY FEATURES**

Ownership	50%
Acquired/built/refurbished	1989/1979/1995, 1999 & 2011
Car spaces	169
Lettable area	38,271sqm
Average floor plate	950sqm
Passing face rent	\$724psqm pa net
Net property income	\$9.4m
External valuation/date	\$193.8m/Dec 2014
Value/lettable area	\$10,078psqm
Book value	\$192.8m
Cap rate	6.50%
Discount rate	8.13%
NABERS Energy/Water Rating (stars)	5.0 / 3.5

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Fitness First	4,445sqm	12%	March 2024
Origin Energy	3,746sqm	10%	November 2019
Trust Company	3,444sqm	9%	April 2021

**LEASE EXPIRY PROFILE BY INCOME WALE 4.0 YEARS**

VACANT	0%	OCCUPANCY	100%
FY16	2%		
FY17	16%		
FY18	16%		
FY19	20%		
FY20	10%		
BEYOND	36%		

**A-GRADE OFFICE**  
BARRACK PLACE  
151 CLARENCE STREET  
SYDNEY NSW



This asset is strategically located in the centre of the Sydney CBD, linking the traditional core with the western corridor. Major public transport nodes at Wynyard, Town Hall and Martin Place are located nearby along with extensive retail and entertainment amenity at Pitt Street Mall and King Street Wharf. The current B-grade building will be demolished in early 2016 to make way for a 18 storey, ~22,000 square meter building featuring flexible 1,200 square meter floor plates, scheduled for completion in late 2018.

**KEY FEATURES**

Ownership	100%
Acquired/built/refurbished	2002/1983/2000
Car spaces	119
Lettable area	16,873sqm
Average floor plate	1,250sqm
Passing face rent	\$481psqm pa net
Net property income	\$5.8m
External valuation/date	\$83.0m/Jun 2014
Value/lettable area	\$5,021psqm
Book value	\$84.7m
Cap rate	NA
Discount rate	NA
NABERS Energy/Water Rating (stars)	3.0 / 2.5

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Westpac	7,483sqm	44%	December 2015
Telstra	3,089sqm	18%	February 2016
Officeworks	1,251sqm	7%	February 2016

**LEASE EXPIRY PROFILE BY INCOME WALE 0.6 YEARS**

VACANT	1%	OCCUPANCY	99%
FY16	99%		
FY17	0%		
FY18	0%		
FY19	0%		
FY20	0%		
BEYOND	0%		



The 25 storey office tower holds a prime location in the heart of the Sydney CBD and features easily subdivisible floorplates of ~600 square metres which appeal to smaller office users attracted to the core location and affordable average net rents. With 14,591sqm of office space occupied by over 40 tenants, the building also has 1,715sqm of retail space and a 108 bay car park. The ground and lower ground floor retail incorporates a high traffic retail walk-through between O'Connell Street and Bligh Street.

#### KEY FEATURES

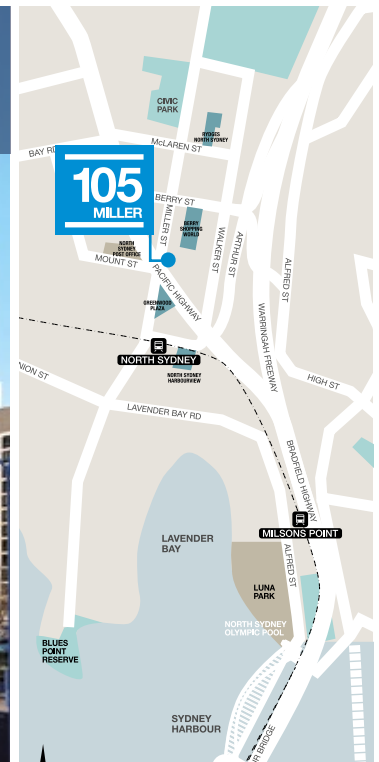
Ownership	100%
Acquired/built/refurbished	2014/1970/1998 & 2010
Car spaces	108
Lettable area	16,104sqm
Average floor plate	600sqm
Passing face rent	\$751psqm pa gross
Net property income	\$9.0m
External valuation/date	\$147.0m/Jun 2015
Value/lettable area	\$9,128psqm
Book value	\$147.0m
Cap rate	6.88%
Discount rate	7.88%
NABERS Energy/Water Rating (stars)	4.5 / 4.0

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Commonwealth of Australia	1,063sqm	7%	June 2018
Normandy	720sqm	4%	August 2025
Hays	630sqm	4%	August 2017

#### LEASE EXPIRY PROFILE BY INCOME

WALE 2.8 YEARS

VACANT	6%	OCCUPANCY	94%
FY16	16%		
FY17	26%		
FY18	24%		
FY19	17%		
FY20	4%		
BEYOND	7%		



This building was comprehensively refurbished in 2013 following a lease renewal to MLC until 2020. The property fronts two main streets and Mount Street Mall in the core North Sydney market. Pedestrians have access via an underpass to Greenwood Plaza, an established presence for shoppers and North Sydney Rail Station.

#### KEY FEATURES

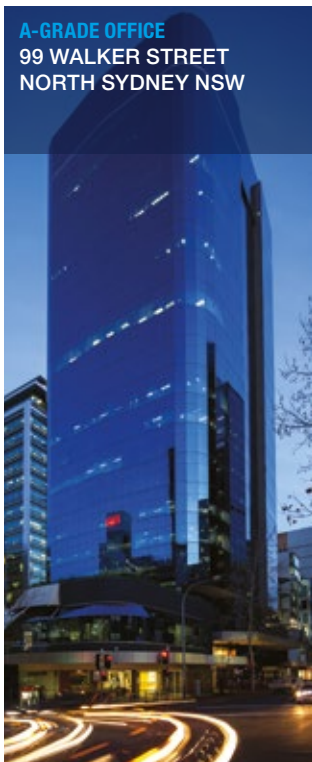
Ownership	100%
Acquired/built/refurbished	1998/1957/2000 & 2013
Car spaces	132
Lettable area	26,898sqm
Average floor plate	1,880sqm
Passing face rent	\$409psqm pa net
Net property income	\$11.2m
External valuation/date	\$212.0m/Jun 2015
Value/lettable area	\$7,882psqm
Book value	\$212.0m
Cap rate	7.00%
Discount rate	8.00%
NABERS Energy/Water Rating (stars)	5.0 / 3.5

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
NAB	25,372sqm	94%	September 2020

#### LEASE EXPIRY PROFILE BY INCOME

WALE 4.6 YEARS

VACANT	0%	OCCUPANCY	100%
FY16	3%		
FY17	2%		
FY18	4%		
FY19	1%		
FY20	0%		
BEYOND	90%		



**A-GRADE OFFICE**  
**99 WALKER STREET**  
**NORTH SYDNEY NSW**



Positioned on the corner of Walker and Mount, 99 Walker Street is well located in the heart of North Sydney, offering 21 levels of office space, sweeping views of Sydney Harbour from the upper floors and excellent natural light. Acquired in July 2013 with more than 30% of the income expiring within 18 months, Investa transformed the building by leasing over 5,000 square meters to Jemena and with the conversion of the food court into a 2,500 square meter Coles supermarket.

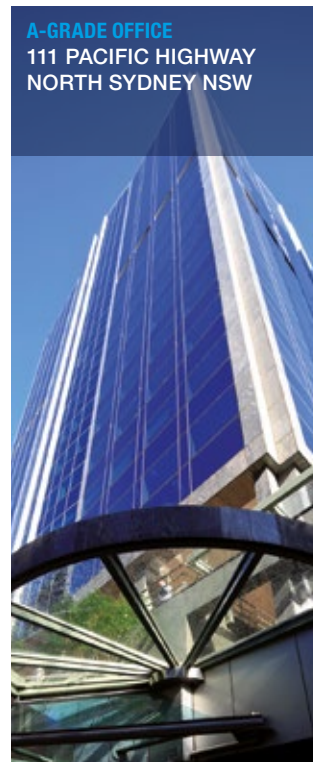
**KEY FEATURES**

Ownership	100%
Acquired/built/refurbished	2013/1988/2007 & 2013
Car spaces	263
Lettable area	19,366sqm
Average floor plate	800sqm
Passing face rent	\$588psqm pa net
Net property income	\$9.0m
External valuation/date	\$183.0m/Jun 2015
Value/lettable area	\$9,450psqm
Book value	\$183.0m
Cap rate	6.75%
Discount rate	8.25%
NABERS Energy/Water Rating (stars)	3.0 / 3.0

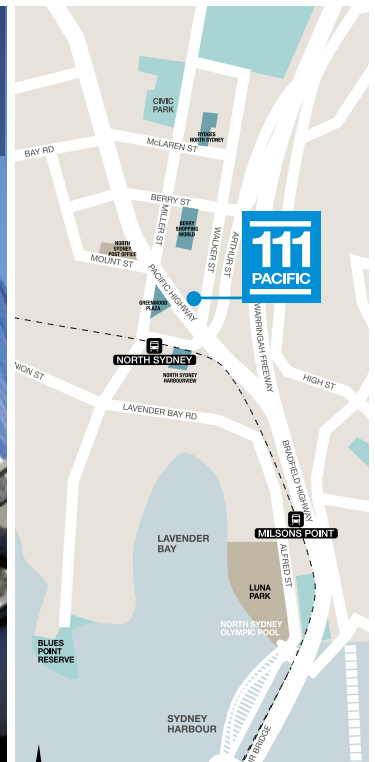
MAJOR TENANTS	AREA	% OF NLA	EXPIRY
GE Capital Finance	6,268sqm	32%	June 2022
Jemena	5,606sqm	29%	February 2028
Coles	2,547sqm	13%	August 2035

**LEASE EXPIRY PROFILE BY INCOME WALE 9.7 YEARS**

VACANT 3%	OCCUPANCY 97%
FY16 0%	
FY17 0%	
FY18 11%	
FY19 0%	
FY20 1%	
BEYOND 85%	



**A-GRADE OFFICE**  
**111 PACIFIC HIGHWAY**  
**NORTH SYDNEY NSW**



This 24 storey property has functional 960sqm floor plates and an attractive outlook with good natural light throughout. The property has twice been extensively refurbished to ensure that it continues to present a competitive commercial offering for high quality tenants.

**KEY FEATURES**

Ownership	100%
Acquired/built/refurbished	2004/1974/1993 & 2006
Car spaces	164
Lettable area	18,669sqm
Average floor plate	960sqm
Passing face rent	\$566psqm pa net
Net property income	\$8.4m
External valuation/date	\$156.0m/Jun 2015
Value/lettable area	\$8,356psqm
Book value	\$156.0m
Cap rate	7.25%
Discount rate	8.50%
NABERS Energy/Water Rating (stars)	4.0 / 3.5

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Transfield Services	6,337sqm	34%	July 2018
NBN Co	1,953sqm	10%	August 2018
Nextgen.NET	1,416sqm	8%	June 2019

**LEASE EXPIRY PROFILE BY INCOME WALE 3.3 YEARS**

VACANT 6%	OCCUPANCY 94%
FY16 9%	
FY17 1%	
FY18 14%	
FY19 58%	
FY20 3%	
BEYOND 9%	





# PORTFOLIO OVERVIEW

## MELBOURNE

Demand has strengthened in Melbourne, boosted by continued tenant centralisation into the CBD and Docklands. Supply under construction is now below average, and the future outlook for supply is relatively subdued thanks to some high profile potential developments being placed on hold. Accordingly, we have upgraded our forecast for medium-term rental growth.

**TOTAL LETTABLE AREA**  
**172,234sqm**

**BOOK VALUE**  
**\$643.0m**

**WEIGHTED AVERAGE LEASE EXPIRY**  
**8.2 years**

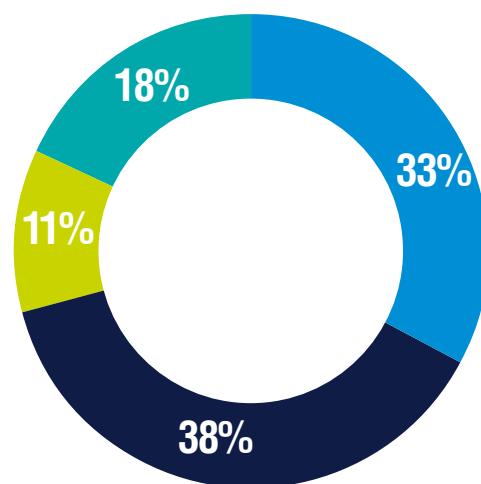
### OUTLOOK MELBOURNE

**Broad-based tenant demand running ahead of our forecast**

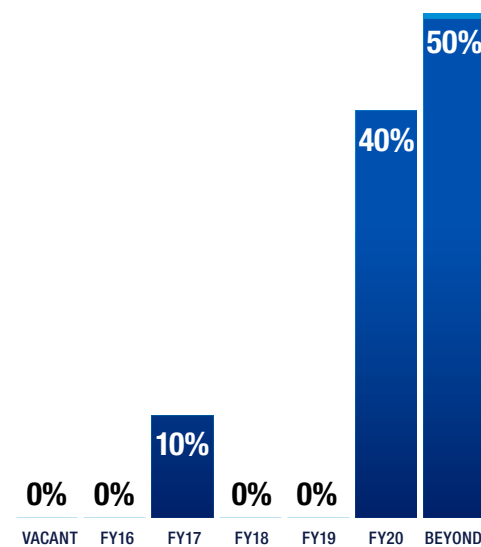
**Outlook for supply improving thanks to major projects not proceeding**

**Capital markets likely to continue to strengthen**

ASSET WEIGHTING BY BOOK VALUE



LEASE EXPIRY PROFILE BY INCOME

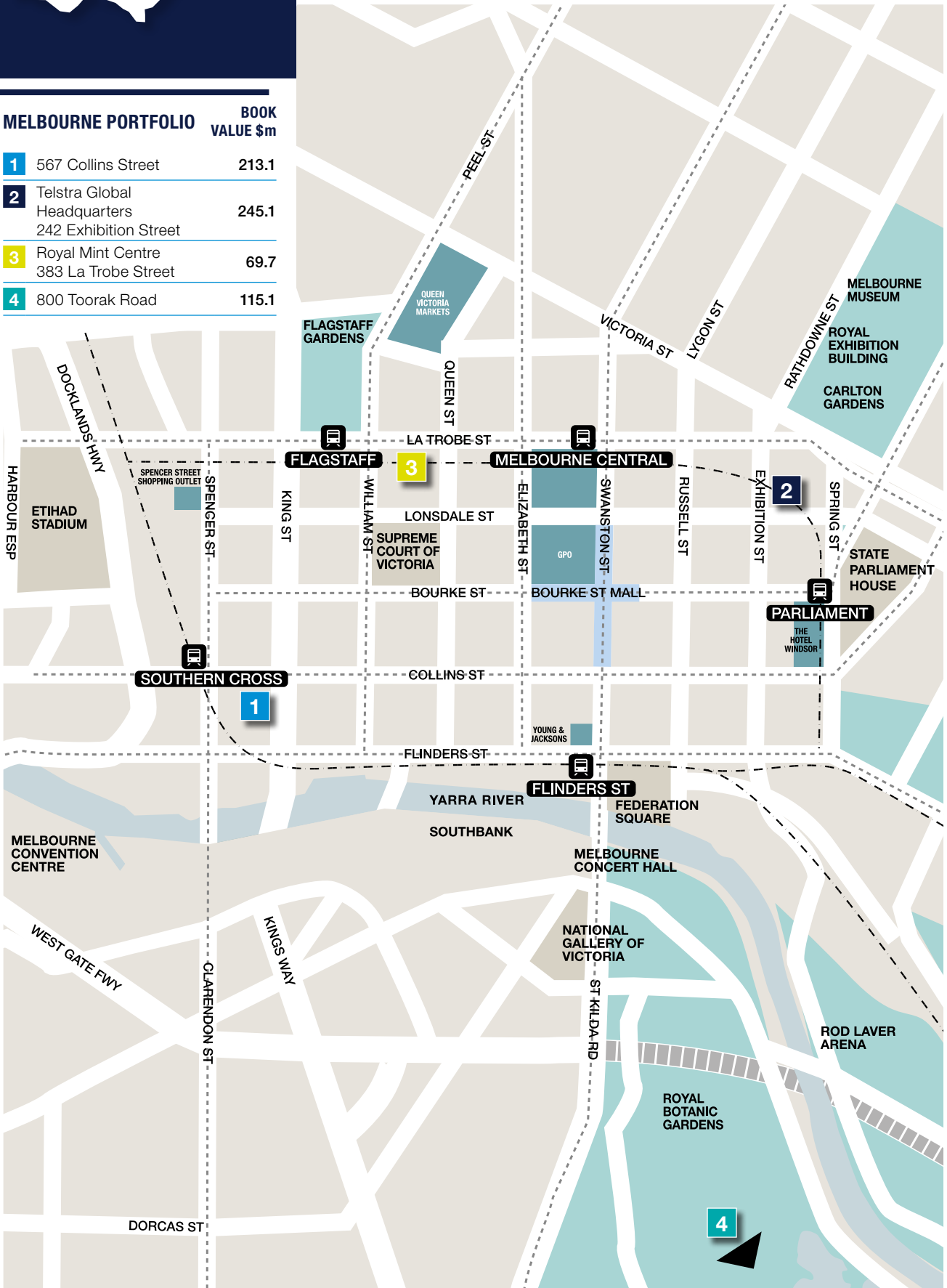




**MELBOURNE PORTFOLIO**

BOOK VALUE \$m

<b>1</b>	567 Collins Street	213.1
<b>2</b>	Telstra Global Headquarters 242 Exhibition Street	245.1
<b>3</b>	Royal Mint Centre 383 La Trobe Street	69.7
<b>4</b>	800 Toorak Road	115.1



**PREMIUM GRADE OFFICE**  
567 COLLINS STREET  
MELBOURNE VIC



Located at the western end of Collins Street at the gateway to Docklands, this 26-level building was completed in July 2015 and features 54,750 square meters of premium-grade office space as well as a two-storey foyer comprising a lobby and a high quality retail offering. The building opened 78% leased to Leighton Contractors, Jemena, Corrs Chambers Westgarth and Virgin Active with a 4 year rental guarantee over the remaining vacancy from Leightons, the developer. The asset has achieved a 5-Star Green Star rating and is targeting a 5-Star NABERS Energy rating.

**KEY FEATURES**

Ownership	50%
Acquired/built/refurbished	2013/2015/NA
Car spaces	162
Lettable area	54,763sqm
Average floor plate	2,150sqm
Passing face rent	\$549psqm pa net
Net property income	NA
External valuation/date	\$269.5m/Jun 2015
Value/lettable area	\$9,842psqm
Book value	\$213.1m
Cap rate	5.88%
Discount rate	7.75%
NABERS Energy/Water Rating (stars) <sup>1</sup>	5.0 / 5.0

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Jemena	14,380sqm	26%	August 2028
Leightons Contractors	12,701sqm	23%	August 2027
Corrs Chambers Westgarth	8,664sqm	16%	August 2027

**LEASE EXPIRY PROFILE BY INCOME**

**WALE 11.1 YEARS<sup>2</sup>**

<b>VACANT 0%</b>	<b>OCCUPANCY 100%</b>
<b>FY16 0%</b>	
<b>FY17 0%</b>	
<b>FY18 0%</b>	
<b>FY19 0%</b>	
<b>FY20 0%</b>	
<b>BEYOND</b>	<b>100%</b>

1. Target of 5-Star NABERS ratings  
2. Vacant space subject to a 4 year rental guarantee

**A-GRADE OFFICE**  
TELSTRA GLOBAL HEADQUARTERS  
242 EXHIBITION STREET  
MELBOURNE VIC



Located in the north-eastern sector of the Melbourne CBD, this A-grade building with 65,914sqm of NLA includes 43 levels of office space – most floors with excellent views – and a ground floor retail precinct. The building is close to major transport links including Parliament Station, trams and buses. It's also an easy walk to parks, hotels, restaurants, cafés and leading retail areas.

**KEY FEATURES**

Ownership	50%
Acquired/built/refurbished	2012/1992/2010
Car spaces	346
Lettable area	65,914sqm
Average floor plate	1,470sqm
Passing face rent	\$484psqm pa net
Net property income	\$16.9m
External valuation/date	\$245.0m/Dec 2014
Value/lettable area	\$7,436psqm
Book value	\$245.1m
Cap rate	6.50%
Discount rate	8.00%
NABERS Energy/Water Rating (stars)	4.0 / 4.5

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Telstra	63,822sqm	97%	May 2020

**LEASE EXPIRY PROFILE BY INCOME**

**WALE 4.9 YEARS**

<b>VACANT 0%</b>	<b>OCCUPANCY 100%</b>
<b>FY16 1%</b>	
<b>FY17 0%</b>	
<b>FY18 0%</b>	
<b>FY19 0%</b>	
<b>FY20</b>	<b>98%</b>
<b>BEYOND 1%</b>	



**B-GRADE OFFICE**  
**ROYAL MINT CENTRE**  
**383 LA TROBE STREET**  
**MELBOURNE VIC**



The Royal Mint Centre offers dual benefits of being positioned in the legal precinct and on one of only two streets leading to Docklands. Modern office space, secure parking and controlled access all add to this property's appeal. 383 La Trobe offers four levels of office accommodation and basement car parking for over 500 vehicles. This asset was sold during the period for \$70.7 million, a 31% premium to the prior book value. Settlement will occur between July and December 2016.

**KEY FEATURES**

Ownership	100%
Acquired/built/refurbished	1994/1988/NA
Car spaces	529
Lettable area	9,679sqm
Average floor plate	2,300sqm
Passing face rent	\$361psqm pa gross
Net property income	\$4.6m
External valuation/date <sup>1</sup>	\$69.7m/Jun 2015
Value/lettable area	\$7,199psqm
Book value	\$69.7m
Cap rate	7.50%
Discount rate	8.50%
NABERS Energy/Water Rating (stars)	2.5 / 2.5

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Australian Federal Police	9,679sqm	100%	June 2017

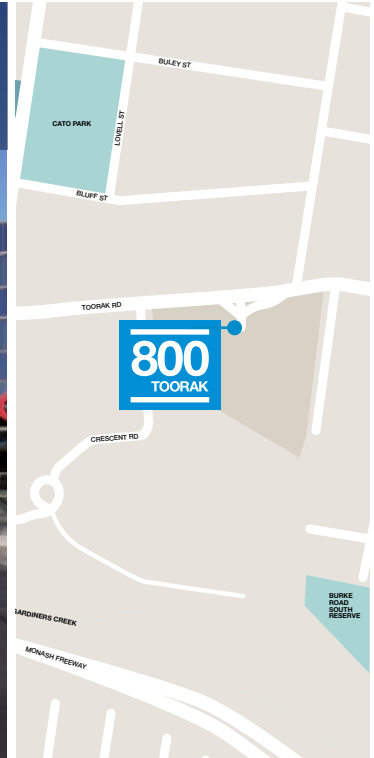
**LEASE EXPIRY PROFILE BY INCOME WALE 2.0 YEARS**

VACANT	0%	OCCUPANCY	100%
FY16	0%		
FY17	100%		
FY18	0%		
FY19	0%		
FY20	0%		
BEYOND	0%		

1. Asset held for sale; exchanged contracts in July 2015, settlement to occur between July and December 2016



**B-GRADE OFFICE**  
**800 TOORAK ROAD**  
**MELBOURNE VIC**



800 Toorak Road is a 42,000 square meter office building featuring a central atrium, conference centre, extensive staff dining facilities and a gymnasium. The building is 100% leased to Coles with a WALE of 15.2 years after a new lease was agreed in 2014. In addition to the new lease, a new 1,200 bay car park was built and completed in February 2015 – generating an 8% yield on cost. Since agreeing the lease extension the valuation has increased from \$102 million to \$115 million.

**KEY FEATURES**

Ownership	50%
Acquired/built/refurbished	1997/1986/NA
Car spaces	1,236
Lettable area	41,878sqm
Average floor plate	6,560sqm
Passing face rent	\$233psqm pa net
Net property income	\$6.3m
External valuation/date	\$115.1m/Jun 2015
Value/lettable area	\$5,498psqm
Book value	\$115.1m
Cap rate	6.75%
Discount rate	8.25%
NABERS Energy/Water Rating (stars) <sup>1</sup>	NA/NA

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Coles	41,878sqm	100%	March 2030

**LEASE EXPIRY PROFILE BY INCOME WALE 14.6 YEARS**

VACANT	0%	OCCUPANCY	100%
FY16	0%		
FY17	0%		
FY18	0%		
FY19	0%		
FY20	0%		
BEYOND	100%		

1. Under the terms of the lease the building is managed by the tenant and data is not available

# PORTFOLIO OVERVIEW

## BRISBANE

After a period of weak demand, conditions are now improving in Brisbane. We are starting to see some signs of expansion from non-mining sectors of the economy, particularly smaller tenants and larger business service users. Encouragingly, there is now evidence of centralisation, with some tenants choosing to relocate back to the CBD – a trend we expect to continue.



TOTAL LETTABLE AREA

**88,553**sqm



BOOK VALUE

**\$458.5**m



WEIGHTED AVERAGE LEASE EXPIRY

**4.3** years

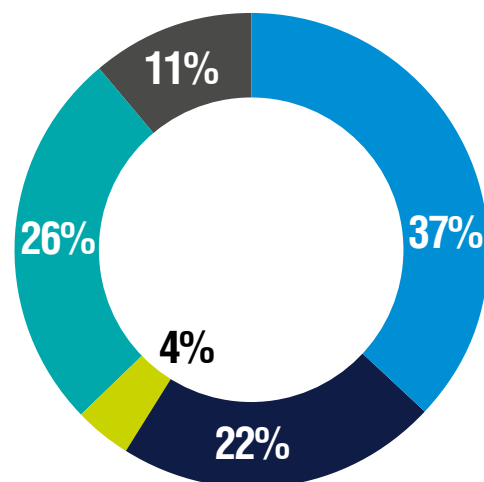
### OUTLOOK BRISBANE

**Non-mining related demand to escalate, boosted by the falling Australian dollar**

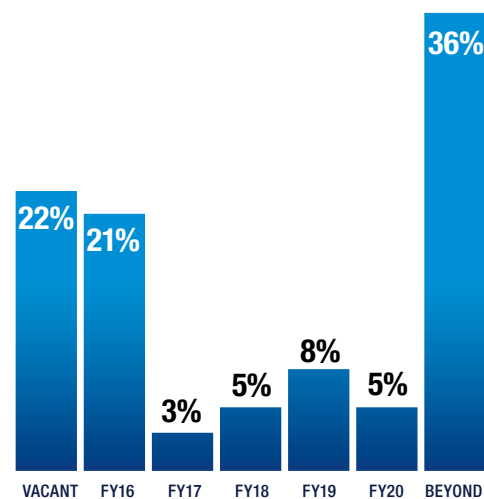
**Withdrawals of redundant office stock to limit impact of impending supply in 2016**

**Rents likely to have passed through the cyclical trough**

ASSET WEIGHTING BY BOOK VALUE



LEASE EXPIRY PROFILE BY INCOME

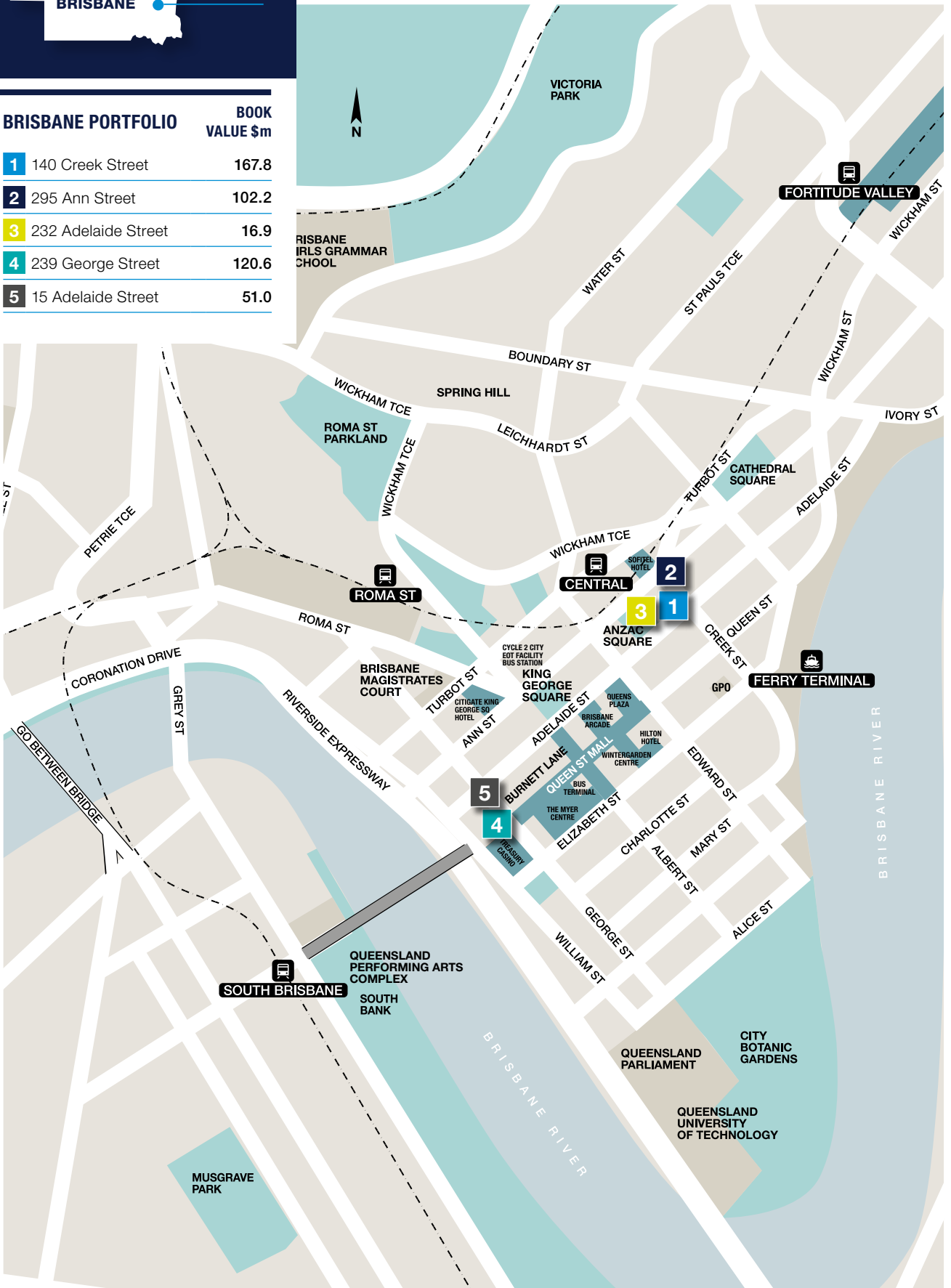




**BRISBANE PORTFOLIO**

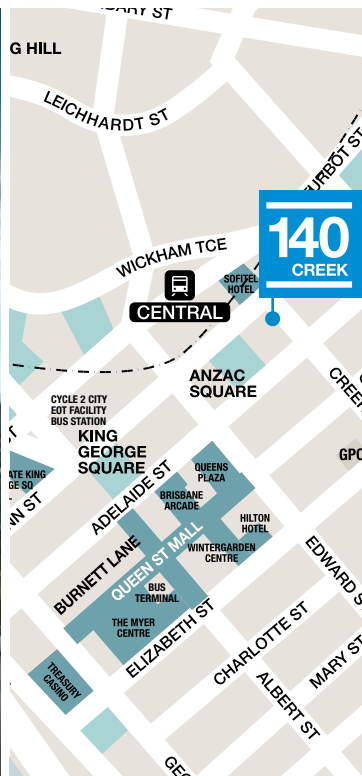
BOOK VALUE \$m

1	140 Creek Street	167.8
2	295 Ann Street	102.2
3	232 Adelaide Street	16.9
4	239 George Street	120.6
5	15 Adelaide Street	51.0





**A-GRADE OFFICE**  
140 CREEK STREET  
BRISBANE QLD



140 Creek Street is a 25 level modern A-Grade office building located in the heart of Brisbane's corporate landscape. The building has large 1,200 square metre floor plates with good natural light throughout, and benefits from a 5.0-star NABERS Energy rating. 140 Creek Street underwent a comprehensive capital works programme during 2014/15 that included refurbishing the ground floor lobby, 9 office floors, and upgrading the services and amenities to meet the requirements of modern occupiers.

**KEY FEATURES**

Ownership	100%
Acquired/built/refurbished	1998/1995/2005 & 2014
Car spaces	159
Lettable area	28,080sqm
Average floor plate	1,175sqm
Passing face rent	\$695psqm pa gross
Net property income	\$6.7m
External valuation/date	\$165.5m/Dec 2014
Value/lettable area	\$5,978psqm
Book value	\$167.8m
Cap rate	8.00%
Discount rate	9.00%
NABERS Energy/Water Rating (stars)	4.5 / 4.0

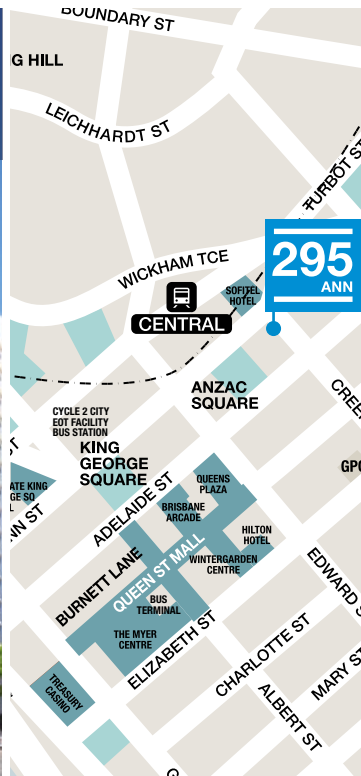
MAJOR TENANTS	AREA	% OF NLA	EXPIRY
State of Queensland	8,819sqm	31%	June 2016
Centrelink	7,286sqm	26%	December 2022

**LEASE EXPIRY PROFILE BY INCOME WALE 4.0 YEARS**

VACANT	35%	OCCUPANCY	65%
FY16	34%		
FY17	0%		
FY18	0%		
FY19	0%		
FY20	3%		
BEYOND	28%		



**A-GRADE OFFICE**  
295 ANN STREET  
BRISBANE QLD



295 Ann Street is a quality, A-grade office building leased to Queensland Rail until 2020. The property was last refurbished in 2010 and has achieved a 4.5-star NABERS energy rating.

Conveniently located within easy walking distance to Brisbane GPO, Central Station as well as bus routes in and out of the city, 295 Ann Street is surrounded by extensive amenity including cafes and restaurants.

**KEY FEATURES**

Ownership	100%
Acquired/built/refurbished	1998/1974/2010
Car spaces	85
Lettable area	20,216sqm
Average floor plate	1,220sqm
Passing face rent	\$597psqm pa gross
Net property income	\$5.7m
External valuation/date	\$100.7m/Dec 2014
Value/lettable area	\$5,053psqm
Book value	\$102.2m
Cap rate	8.00%
Discount rate	8.75%
NABERS Energy/Water Rating (stars) <sup>1</sup>	5.5 / 4.0

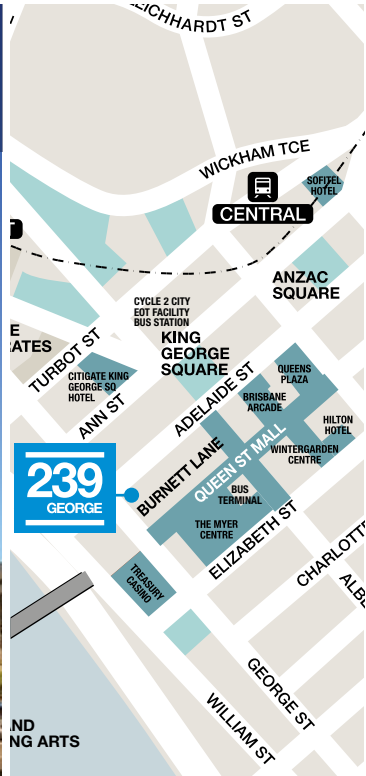
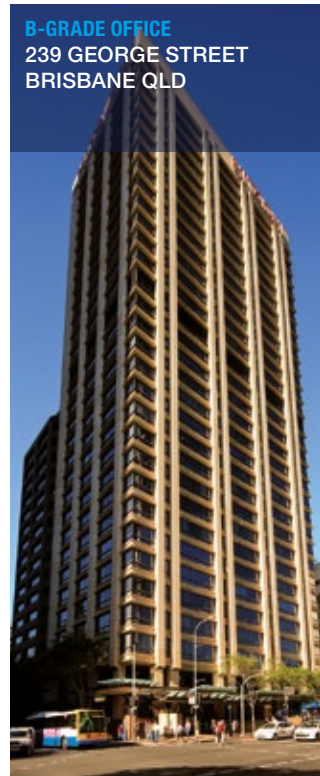
MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Queensland Rail Limited	11,631sqm	58%	November 2020
Australian Bureau of Statistics	2,000sqm	10%	October 2025
Manpower Services	1,962sqm	10%	March 2025

**LEASE EXPIRY PROFILE BY INCOME WALE 6.5 YEARS**

VACANT	20%	OCCUPANCY	80%
FY16	0%		
FY17	0%		
FY18	0%		
FY19	0%		
FY20	0%		
BEYOND	80%		

1. NABERS Rating applies to both 295 Ann Street and 232 Adelaide Street





Built in 1937, 232 Adelaide Street is positioned next to ANZAC Square and in close proximity to retail amenities, cafés and restaurants. Offering refurbished office space, this building is conveniently located within easy walking distance to the Brisbane GPO, Central Station and bus routes in and out of the city.

239 George Street is prominently located in the heart of the legal and government precincts of Brisbane. In close proximity to major transport and retail hubs, the building offers quality office space with good natural light over 24,000sqm of NLA. It incorporates ground floor retail and 30 levels of office accommodation.

**KEY FEATURES**

Ownership	100%
Acquired/built/refurbished	1998/1937/2005
Car spaces	16
Lettable area	4,459sqm
Average floor plate	540sqm
Passing face rent	\$550psqm pa gross
Net property income	\$1.3m
External valuation/date	\$17.0m/Dec 2014
Value/lettable area	\$3,795psqm
Book value	\$16.9m
Cap rate	8.25%
Discount rate	9.00%
NABERS Energy/Water Rating (stars) <sup>1</sup>	5.5 / 4.0

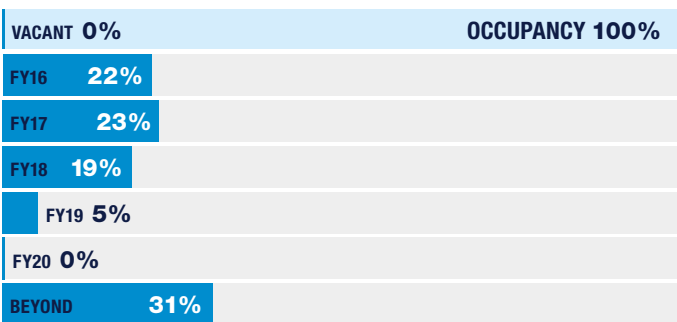
**KEY FEATURES**

Ownership	100%
Acquired/built/refurbished	1998/1976/2006
Car spaces	21
Lettable area	24,315sqm
Average floor plate	750sqm
Passing face rent	\$615psqm pa gross
Net property income	\$9.6m
External valuation/date	\$120.0m/Dec 2014
Value/lettable area	\$4,960psqm
Book value	\$120.6m
Cap rate	8.25%
Discount rate	9.00%
NABERS Energy/Water Rating (stars) <sup>1</sup>	4.5 / 4.0

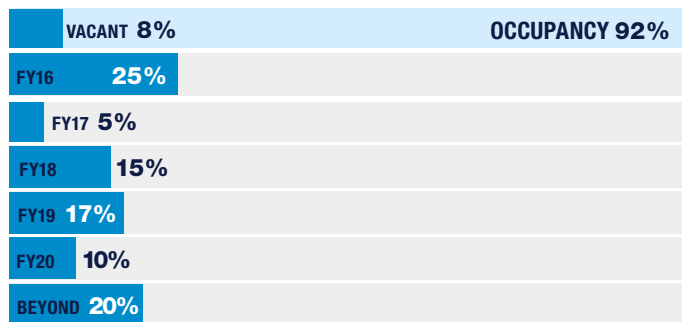
MAJOR TENANTS	AREA	% OF NLA	EXPIRY
ILSC	1,384sqm	31%	June 2023
Markfire Pty Ltd	394sqm	9%	August 2016
Bureau Probert Architects	391sqm	9%	July 2016

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
City Beach	2,619sqm	11%	July 2023
BT Lawyers Pty Ltd	1,752sqm	7%	July 2022
Cullen Services Pty Ltd	1,174sqm	5%	May 2019

**LEASE EXPIRY PROFILE BY INCOME WALE 3.5 YEARS**



**LEASE EXPIRY PROFILE BY INCOME WALE 3.3 YEARS**



1. NABERS Rating applies to both 295 Ann Street and 232 Adelaide Street

1. NABERS ratings applies to both 239 George Street and 15 Adelaide Street



15 Adelaide Street is a quality, 19 level office building located in the Brisbane CBD's legal precinct. The building has approximately 11,500sqm of NLA and benefits from abundant natural light. The recently refurbished ground floor presents a stylish, corporate entrance surrounded by a wealth of amenity including cafés, bars and shopping and is well serviced by public transport.

### KEY FEATURES

Ownership	100%
Acquired/built/refurbished	1998/1982/2008
Car spaces	145
Lettable area	11,483sqm
Average floor plate	740sqm
Passing face rent	\$594psqm pa gross
Net property income	\$2.5m
External valuation/date	\$51.0m/Jun 2015
Value/lettable area	\$4,441psqm
Book value	\$51.0m
Cap rate	8.75%
Discount rate	9.25%
NABERS Energy/Water Rating (stars) <sup>1</sup>	4.5 / 4.0

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Commonwealth of Australia	2,167sqm	19%	March 2019
BP Services	1,298sqm	11%	June 2021
Shane Global Village	749sqm	7%	February 2017

### LEASE EXPIRY PROFILE BY INCOME WALE 3.8 YEARS

VACANT	27%	OCCUPANCY	73%
FY16	11%		
FY17	7%		
FY18	0%		
FY19	26%		
FY20	11%		
BEYOND	18%		

1. NABERS ratings applies to both 239 George Street and 15 Adelaide Street




# PORTFOLIO OVERVIEW

## PERTH

Perth continues to face headwinds, with demand impacted by worsening conditions in the resource sector and new supply imminent. As a result we expect the vacancy rate to remain elevated for some time. However there is evidence emerging that the upgrade cycle is well underway with tenants now looking to shift to better quality space. As a result, it is likely that some buildings with poor amenity and weak environmental credentials become structural vacancy as they struggle to compete with institutional grade stock.

**TOTAL LETTABLE AREA**  
 **23,495sqm**

**BOOK VALUE**  
 **\$158.2m**

**WEIGHTED AVERAGE LEASE EXPIRY**  
 **3.7 years**

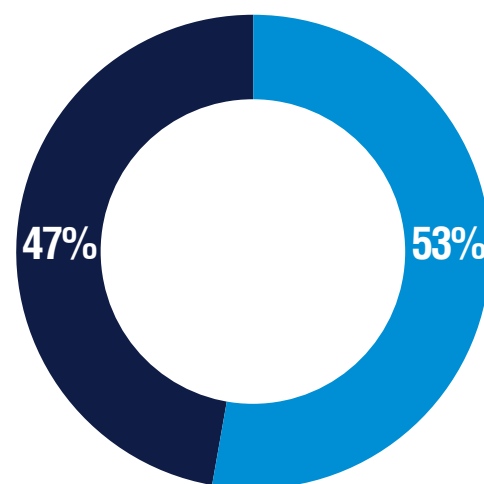
### OUTLOOK PERTH

**Falling commodity prices continue to drive rationalisation of mining tenants**

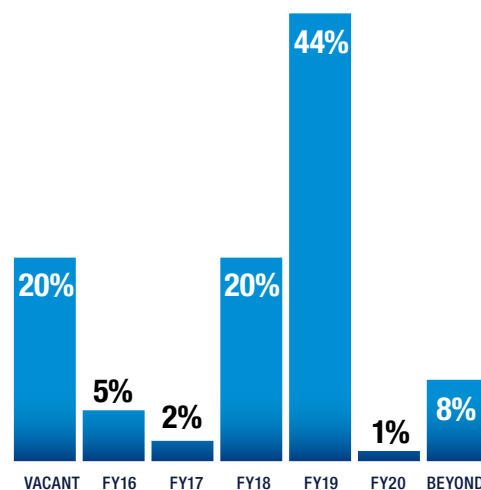
**Cyclical vacancy will likely hit a high point over the year as supply comes on line**

**Slow and steady recovery will be driven by moderate expansion of business services**

### ASSET WEIGHTING BY BOOK VALUE



### LEASE EXPIRY PROFILE BY INCOME

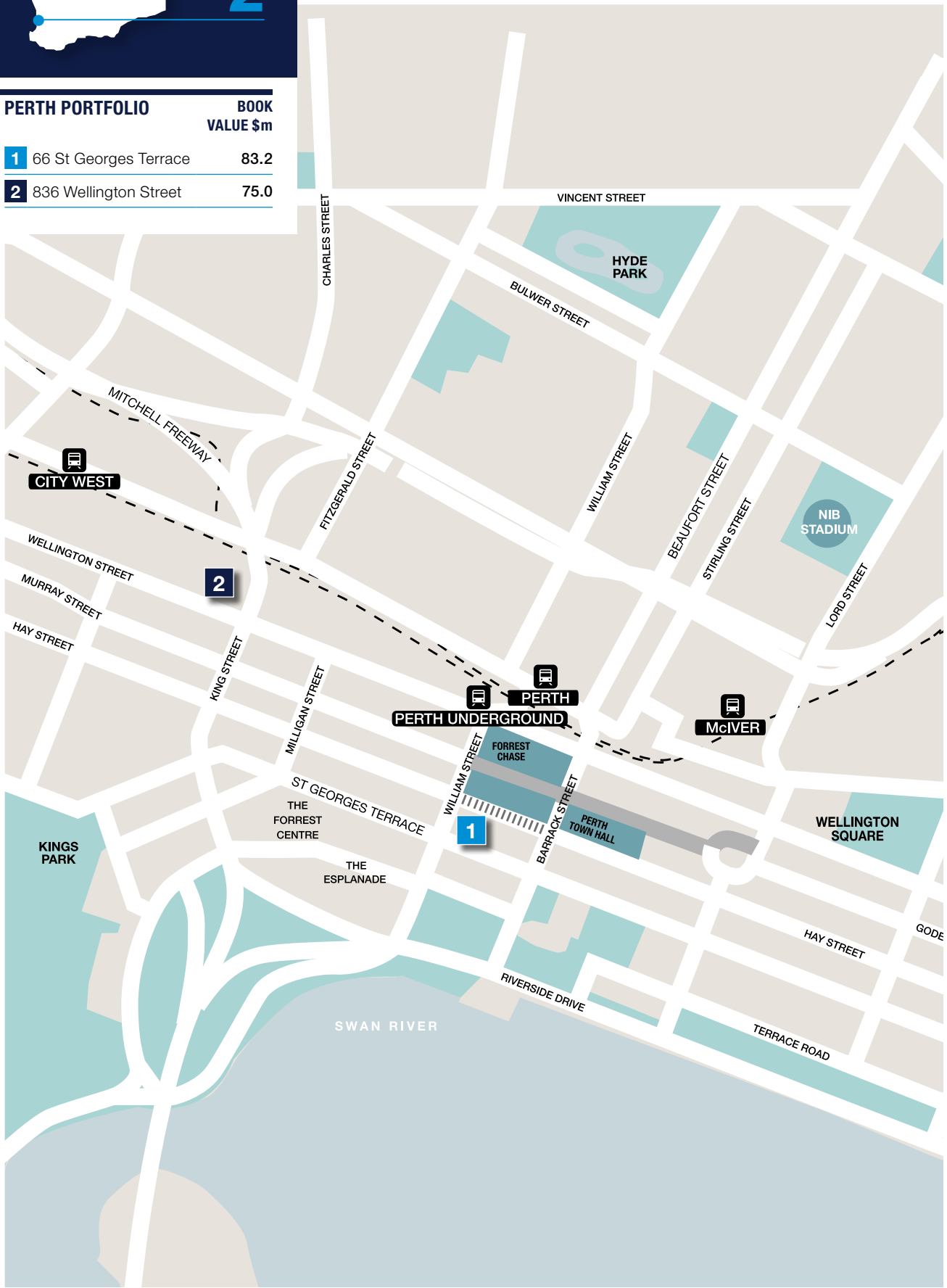




**PERTH PORTFOLIO**

**BOOK VALUE \$m**

<b>1</b>	66 St Georges Terrace	83.2
<b>2</b>	836 Wellington Street	75.0





Located on the north side of St Georges Terrace, this A-grade building was completed in 1990 and boasts a central CBD address between William and Barrack Street. It has 11 levels of attractively sized floor plates and a side core providing an abundance of natural light. The property also includes two retail tenancies, 66 car bays and ample storage.

#### KEY FEATURES

Ownership	100%
Acquired/built/refurbished	2012/1990/NA
Car spaces	66
Lettable area	11,523sqm
Average floor plate	1,000sqm
Passing face rent	\$724psqm pa net
Net property income	\$7.1m
External valuation/date	\$82.0m/Dec 2014
Value/lettable area	\$7,219psqm
Book value	\$83.2m
Cap rate	8.00%
Discount rate	9.25%
NABERS Energy/Water Rating (stars)	3.5 / 2.5

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Subsea 7	2,014sqm	18%	February 2018
Manpower Services	1,513sqm	13%	June 2023
Dimension Data	1,007sqm	9%	June 2018

#### LEASE EXPIRY PROFILE BY INCOME WALE 3.7 YEARS

VACANT	35%	OCCUPANCY	65%
FY16	9%		
FY17	0%		
FY18	36%		
FY19	3%		
FY20	2%		
BEYOND	15%		



Completed in 2009, Wellington Central offers large, efficient floorplates with a central core configuration providing superior accommodation for tenants and secure on-site parking for over 138 vehicles. Wellington Central features 11,973sqm of office accommodation over eight levels and offers the best of green technology within the West Perth commercial precinct.

#### KEY FEATURES

Ownership	100%
Acquired/built/refurbished	2007/2009/NA
Car spaces	138
Lettable area	11,973sqm
Average floor plate	2,250sqm
Passing face rent	\$492psqm pa net
Net property income	\$6.2m
External valuation/date	\$75.0m/Jun 2015
Value/lettable area	\$6,264psqm
Book value	\$75.0m
Cap rate	7.75%
Discount rate	8.00%
NABERS Energy/Water Rating (stars)	5.5 / 4.0

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Commonwealth of Australia	11,629sqm	97%	April 2019
Reachlocal Australia Pty Ltd	344sqm	3%	January 2017

#### LEASE EXPIRY PROFILE BY INCOME WALE 3.7 YEARS

VACANT	0%	OCCUPANCY	100%
FY16	0%		
FY17	4%		
FY18	0%		
FY19	96%		
FY20	0%		
BEYOND	0%		



# PORTFOLIO OVERVIEW

## CANBERRA

Tenant demand continues to be weak in Canberra, and over the last 12 months occupied stock has fallen despite Government taking up more space over the last 6 months. Although Canberra has little stock under construction, there is significant risk that new buildings are constructed for government 'super departments' that require large floor plates and modern facilities, which may place greater pressure on existing stock to compete.



TOTAL LETTABLE AREA

**14,155**sqm



BOOK VALUE

**\$85.0**m



WEIGHTED AVERAGE LEASE EXPIRY

**10.6**years

### OUTLOOK CANBERRA

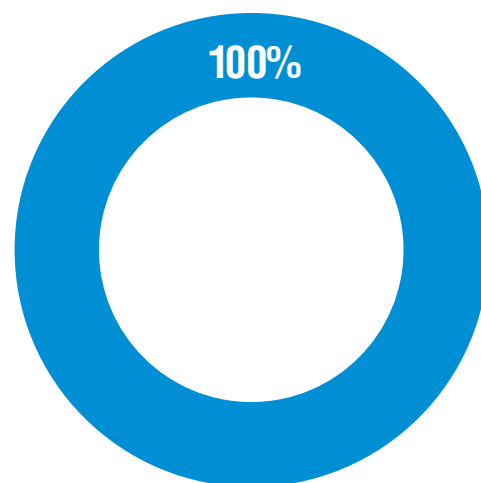


**Government-led demand to pick up over the next 12 months**

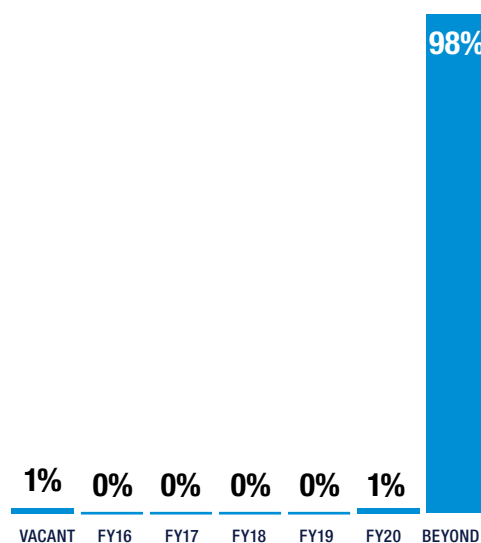
**Demand for secondary grade space likely to remain weak as tenants upgrade**

**Risk of new developments prolonging elevated vacancy levels**

### ASSET WEIGHTING BY BOOK VALUE



### LEASE EXPIRY PROFILE BY INCOME







**CANBERRA PORTFOLIO**

**BOOK VALUE \$m**

**1** 16-18 Mort Street

**85.0**



**B-GRADE OFFICE**  
**TIMES SQUARE**  
 16-18 MORT STREET  
 CANBERRA ACT



Times Square is situated in the heart of the CBD, adjacent to the main shopping precinct and commercial thoroughfare. The building consists of two levels of underground parking and large 2,200sqm floor plates. The building is leased to Telstra until 2026 after being comprehensively refurbished in 2013.

#### KEY FEATURES

Ownership	100%
Acquired/built/refurbished	2001/1992/2013
Car spaces	160
Lettable area	14,155sqm
Average floor plate	2,200sqm
Passing face rent	\$412psqm pa net
Net property income	\$3.9m
External valuation/date	\$85.0m/Jun 2015
Value/lettable area	\$6,005/sqm
Book value	\$85.0m
Cap rate	6.75%
Discount rate	8.50%
NABERS Energy/Water Rating (stars)	5.0 / 5.0

MAJOR TENANTS	AREA	% OF NLA	EXPIRY
Telstra	13,662sqm	97%	February 2026

#### LEASE EXPIRY PROFILE BY INCOME WALE 10.6 YEARS

<b>VACANT 1%</b>	<b>OCCUPANCY 99%</b>
FY16 0%	
FY17 0%	
FY18 0%	
FY19 0%	
FY20 1%	
<b>BEYOND</b>	<b>98%</b>





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# CONTACT DETAILS

If you have any questions about IOF's reporting or questions in relation to your unitholding, please call the unitholder information line on **+1300 851 394**.

Further information about the Fund can be accessed and downloaded at **[investa.com.au/IOF](https://investa.com.au/IOF)**

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## INVESTA LISTED FUNDS MANAGEMENT LIMITED

Level 6, Deutsche Bank Place  
126 Phillip Street  
Sydney NSW 2000  
T +61 2 8226 9300  
F +61 2 9844 9300  
ACN 149 175 655 AFSL 401414

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